

Gov. Evers: Creates task force to take on student loan debt crisis in Wisconsin

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MADISON, Wis. — Gov. Tony Evers signed an executive order today creating a student debt task force to find ways to help Wisconsinites swept up in the deepening economic crisis. Nationally, higher education debt has skyrocketed to over \$1.6 trillion and directly impacts over 45 million people. In recent years Wisconsin became a top ten state in the nation for the percentage of graduates with student debt and the amount of debt they are carrying ranks above the national average.

“Borrowers know what the student loan debt crisis means to them and their families,” commented One Wisconsin Now Deputy Director Mike Browne. “But the impact of the student debt crisis reaches far beyond just the borrowers, it’s stifling our entire state economy. Gov. Evers is right to be looking for ways to help.”

According to Executive Order #67 signed by Gov. Evers, the Secretary of the Department of Financial Institutions will, working with experts and advocates, develop “long-term strategies to reduce education-related debt, prevent abusive practices by loan companies, and improve financial literacy education.”

Data from The Institute for College Access and Success (TICAS) finds student loan debt remains [a significant burden for Wisconsin graduates](#). The state ranks in the top ten in the nation for the percentage of class of 2018 graduates with student loans, and the average debt of nearly \$32,000 exceeds the national average.

Numerous studies, including the original research by One Wisconsin Institute dating to 2012, have found that student debt depresses economic activity including new

car purchases and rates of home ownership. Research also finds the crisis is multi-generational and negatively impacts the ability of borrowers to save for their retirement or a child's education.

Despite the dire debt situation, Republicans in control of the state legislature have blocked measures intended to help borrowers. During the 2019 state budget deliberations, Republicans rejected proposals to create a state-based plan to help borrowers refinance student loans, just like you can with a mortgage, and to increase the amount of funding for financial aid by five percent to help address the backlog of students eligible for financial aid but receiving none.

“Higher education and technical training should be a pathway to prosperity, but for too many hard working Wisconsinites it's instead leaving them buried in debt. Gov. Evers is working to deliver help and hopefully, this time, Republicans will join in with Democrats to be part of the solution.”

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